

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

V.

**PHILLIP MICHAEL CARTER, Individually and
d/b/a NORTH FORTY DEVELOPMENT CAPITAL
ACCOUNT, BOBBY EUGENE GUESS, RICHARD
GREGORY TILFORD, NORTH-FORTY
DEVELOPMENT LLC, NORTH-FORTY
DEVELOPMENT, LLC, TEXAS CASH COW, LLC,
f/k/a TEXAS CASH COW INVESTMENTS, LLC,
and TEXAS FIRST FINANCIAL, LLC**

Defendants, and

FRISCO WADE CROSSING DEVELOPMENT PARTNERS, LLC, MCKINNEY EXECUTIVE SUITES AT CRESCENT PARC DEVELOPMENT PARTNERS, LLC, CHRISTIAN CUSTOM HOMES, LLC, and DOUBLE DROPTINE RANCH, LLC,

Relief Defendants.

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CIVIL ACTION NO.
4:19-CV-00100-ALM-KPJ

ANSWER OF DEFENDANT PHILLIP MICHAEL CARTER

COME NOW defendant Phillip Michael Carter (“Carter”), and files this answer to the Complaint [Doc 1] filed by plaintiff Securities and Exchange Commission, and would respectfully show this Court as follows:

1. Carter denies the allegations contained in paragraph 1 of the Complaint.
2. Carter denies the allegations contained in paragraph 2 of the Complaint.
3. Carter denies the allegations contained in paragraph 3 of the Complaint.
4. Carter denies the allegations contained in paragraph 4 of the Complaint.

5. Carter admits the allegations contained in paragraph 5 of the Complaint, except to note that the wrong district is named.

6. Carter admits the allegations contained in paragraph 6 of the Complaint.

7. Carter denies the allegations contained in paragraph 7 of the Complaint.

8. Carter lacks sufficient information to admit or deny the allegations in paragraph 8 of the Complaint and accordingly denies them.

9. Carter lacks sufficient information to admit or deny the allegations in paragraph 9 of the Complaint and accordingly denies them.

10. Carter lacks sufficient information to admit or deny the allegations in paragraph 10 of the Complaint and accordingly denies them.

11. Carter denies the allegations contained in paragraph 11 of the Complaint.

12. Carter lacks sufficient information to admit or deny the allegations in paragraph 12 of the Complaint and accordingly denies them.

13. Carter lacks sufficient information to admit or deny the allegations in paragraph 13 of the Complaint and accordingly denies them.

14. Carter lacks sufficient information to admit or deny the allegations in paragraph 14 of the Complaint and accordingly denies them.

15. Carter denies the allegations contained in paragraph 15 of the Complaint.

16. Carter denies the allegations contained in paragraph 16 of the Complaint.

17. Carter denies the allegations contained in paragraph 17 of the Complaint.

18. Carter denies the allegations contained in paragraph 18 of the Complaint.

19. Carter denies the allegations contained in the first sentence of paragraph 19 of the Complaint; Carter lacks sufficient information to admit or deny all other

allegations in this paragraph and accordingly denies them.

20. Carter lacks sufficient information to admit or deny the allegations contained in the second sentence of paragraph 20 and accordingly denies them; Carter denies all other allegations in this paragraph.

21. Carter lacks sufficient information to admit or deny the allegations contained in the first and second sentences of paragraph 21 of the Complaint and accordingly denies them; Carter denies all other allegations in this paragraph.

22. Carter denies the allegations contained in paragraph 22 of the Complaint.

23. Carter denies the allegations contained in paragraph 23 of the Complaint.

24. Carter lacks sufficient information to admit or deny the allegations contained in paragraph 24 of the Complaint and accordingly denies them

25. Carter denies the allegations contained in paragraph 25 of the Complaint, except that he lacks sufficient information to admit or deny the allegations contained in the final sentence of this paragraph and accordingly denies them.

26. Carter lacks sufficient information to admit or deny the allegations in paragraph 26 of the Complaint and accordingly denies them.

27. Carter denies the allegations contained in paragraph 27 of the Complaint.

28. Carter denies the allegations contained in paragraph 28 of the Complaint.

29. Carter denies the allegations contained in paragraph 30 of the Complaint.

30. Carter denies the allegations contained in paragraph 30 of the Complaint.

31. Carter lacks sufficient information to admit or deny the allegations in paragraph 31 of the Complaint and accordingly denies them.

32. Carter denies the allegations contained in paragraph 32 of the Complaint.

33. Carter lacks sufficient information to admit or deny the allegations in paragraph 33 of the Complaint and accordingly denies them.

34. Carter denies the allegations contained in paragraph 34 of the Complaint.

35. Carter lacks sufficient information to admit or deny the allegations in paragraph 35 of the Complaint and accordingly denies them.

36. Carter denies the allegations contained in paragraph 36 of the Complaint.

37. Carter denies the allegations contained in paragraph 37 of the Complaint.

38. Carter denies the allegations contained in paragraph 38 of the Complaint.

39. Carter denies the allegations contained in paragraph 39 of the Complaint.

40. Carter denies the allegations contained in paragraph 40 of the Complaint.

41. Carter denies the allegations contained in paragraph 41 of the Complaint.

42. Carter denies the allegations contained in paragraph 42 of the Complaint.

43. Carter denies the allegations contained in paragraph 43 of the Complaint.

44. Carter denies the allegations contained in paragraph 44 of the Complaint.

45. Carter denies the allegations contained in paragraph 45 of the Complaint.

46. Carter denies the allegations contained in paragraph 46 of the Complaint.

47. Carter denies the allegations contained in paragraph 47 of the Complaint.

48. Carter denies the allegations contained in paragraph 48 of the Complaint.

49. Carter denies the allegations contained in paragraph 49 of the Complaint.

50. Carter denies the allegations contained in paragraph 50 of the Complaint.

51. Carter denies the allegations contained in paragraph 51 of the Complaint.

52. Carter denies the allegations contained in paragraph 52 of the Complaint.

53. Paragraph 53 of the Complaint does not contain allegations of fact for which

either an admission or denial is required.

54. Carter denies the allegations contained in paragraph 54 of the Complaint.

55. Carter denies the allegations contained in paragraph 55 of the Complaint.

56. Carter denies the allegations contained in paragraph 56 of the Complaint.

57. Carter denies the allegations contained in paragraph 57 of the Complaint.

58. Carter denies the allegations contained in paragraph 58 of the Complaint.

59. Paragraph 59 of the Complaint does not contain allegations of fact for which either an admission or denial is required.

60. Carter denies the allegations contained in paragraph 60 of the Complaint.

61. Carter denies the allegations contained in paragraph 61 of the Complaint.

62. Carter denies the allegations contained in paragraph 62 of the Complaint.

63. Carter denies the allegations contained in paragraph 63 of the Complaint.

64. Paragraph 64 of the Complaint does not contain allegations of fact for which either an admission or denial is required.

65. Carter denies the allegations contained in paragraph 65 of the Complaint.

66. Carter denies the allegations contained in paragraph 66 of the Complaint.

67. Paragraph 67 of the Complaint does not contain allegations of fact for which either an admission or denial is required.

68. Carter denies the allegations contained in paragraph 68 of the Complaint.

69. Carter denies the allegations contained in paragraph 69 of the Complaint.

70. Paragraph 70 of the Complaint does not contain allegations of fact for which either an admission or denial is required.

71. Carter denies the allegations contained in paragraph 71 of the Complaint.

72. Carter denies the allegations contained in paragraph 72 of the Complaint.

73. Carter denies the allegations contained in paragraph 73 of the Complaint.

DATE: April 1, 2019

Respectfully submitted,

FRIEDMAN & FEIGER, L.L.P.

/s/ Ernest W. Leonard

By: _____

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ATTORNEYS FOR DEFENDANT

PHILLIP MICHAEL CARTER

CERTIFICATE OF SERVICE

This shall verify that a true and correct copy of the above and foregoing document has been served upon all Counsel of Record via the Court's electronic notice system, on this the 1st day of April, 2019.

/s/ Ernest W. Leonard

Ernest W. Leonard, Esq.